



USAID/BiH's collaboration with other donors has leveraged \$61 million of additional funding to USG projects



Opening Ceremony for the new Sports Hall in Vlasenica (GAP II)

USAID/BiH's partnerships support Paris Declaration on Aid Effectiveness principles of donor harmonization

Such coordination:

- builds on ongoing efforts and prevents duplication;
- enhances donors' voice with partner countries; and
- leverages expertise, resources and impact.

USAID/BiH's Innovative Partnerships

USAID/Bosnia-Herzegovina (BiH) strives to maximize resources and partnerships to consolidate economic reforms and solidify BiH's democratic processes. After massive reconstruction following Bosnia's brutal war in the 1990's, the international community continues to play a key role in supporting BiH's progress and stability.

Developing jointly funded projects with other donors is a powerful way for USAID to further key development goals. It is a labor-intensive process, however, that requires dialogue, and a strong understanding of the donor's development philosophy, program modalities, and capacity. Such challenges have proved well worth the effort. To date, USAID/BiH has leveraged \$61 million from other donor countries, including the Netherlands, Norway, Germany and Sweden, as well as in-kind donations from the private sector, including Cisco and BH Telecom. Such partnerships have maximized opportunities to promote economic growth and empower good governance in meaningful and sustainable ways. These collaborations have created strong models for USAID to replicate worldwide.

Joint Projects between USAID and Other Donors

Governance Accountability Project (GAP) I, 2004-2007

\$20 million total--\$10 million from USAID, \$10 million from Sida

Governance Accountability Project (GAP) II, 2007-2012

\$30 million total--\$10 million from USAID, \$10 million from Sida, \$10 million from the Government of the Netherlands

USAID and Sida recognized the need to make local governments more accountable, effective and empowered, given BiH's complex governance structure. GAP I's efforts improved municipalities' services to citizens and businesses; introduced modern financial management systems; and enabled municipalities to create a better environment for business and employment growth. The success of the project led to GAP II and the addition of a third partner, the Dutch government. GAP II works with additional municipalities to improve citizen services, enhance cooperation among municipalities, and increase advocacy efforts by local governments. GAP I and II have assisted 50% of the municipalities throughout BiH.

FARMA and FIRMA, 2009-2014

\$35 million total--\$21 million from USAID, \$14 million from Sida

USAID designed two new projects targeting the competitiveness of small and medium enterprises (SMEs) in the agricultural, wood and tourism sectors in BiH: Fostering Agricultural Markets Activity (FARMA) and Fostering Interventions for Rapid Market Advancement Activity (FIRMA). Sida decided to help fund these projects, tapping into USAID's staff capacity and management expertise. Additionally, USAID's technical knowledge of economic issues, focus on economic growth, and ability to adapt Sida's requests to follow USAID regulations were critical for the formation of this partnership.

Excellence in Innovation, 2007-2010

\$5.2 million total--\$3.2 million from USAID, \$2 million from NMFA

USAID and the Norwegian Ministry of Foreign Affairs jointly designed the Excellence in Innovation project, which strengthens competitiveness among small and medium enterprises (SMEs) through their ability to offer new, high value-added products and services in the domestic and global markets. The project works to significantly improve the competitiveness of at least 200 SMEs in the machine tool, wood processing, agribusiness, and tourism sectors.

Development Credit Authority (DCA) loan guarantee program

A new initiative between USAID/BiH and Sida—joint collaboration through USAID's Development Credit Guarantee (DCA) loan guarantee program—is the first-ever global partnership between USAID and Sida for loan guarantees. For BiH alone, USAID-Sida funding will lead to significant levels of credit guarantees for productive enterprises, which has the potential for tremendous impact on economic growth in the country.